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PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

**WATER DIVISION
Water Advisory Branch**

**RESOLUTION NO. W-4288
August 23, 2001**

RESOLUTION

**(RES. W-4288), GARRAPATA WATER COMPANY (GWC). ORDER
AUTHORIZING AN OFFSET RATE INCREASE OF \$2,179 OR 6.14% IN
ADDITIONAL REVENUE.**

SUMMARY

By Advice Letter No. 21, filed on July 2, 2001, GWC is requesting an increase in annual revenue of \$2,283 or 6.4% to offset the expense of purchased power rate increases by Pacific Gas and Electric Company (PG&E). The offset rate increase will not result in a rate of return greater than that last authorized for GWC.

BACKGROUND

GWC requests authority under Section VI of General Order 96-A and Section 454 of the Public Utilities Code to offset increases in purchased power it purchases from PG&E, which increased rates effective on June 1, 2001.

The present rates of GWC became effective on December 13, 2000, pursuant to an offset rate increase to recover Department of Health Services' fees. The last general rate increase became effective September 23, 2000, pursuant to Res. W-4220, which authorized a general rate increase of \$18,190 or 105.2%, and a rate of return of 13.50%.

GWC presently serves 45 flat rate customers in a service area located ten miles south of Carmel, in Monterey County.

DISCUSSION

The offset increase is due to increased rates from PG&E authorized by Commission Decision 01-05-064. This increase resulted in a \$2,179 or 6.14% in purchased power expense, effective June 1, 2001.

GWC's filed tariffs currently contain one schedule: 2A-Annual Flat Rate Service. The annual bill for each flat rate residential dwelling below the main tank will increase by \$44.58 or 6.14% from its present rate of \$726.00 to its proposed rate of \$770.58.

NOTICE AND PROTESTS

Notice of the proposed rate increase was published in the Carmel Pine Cone, a newspaper of general circulation, on June 29, 2001, as evidenced by declaration of publication provided to the Water Division by the utility. There were no protests concerning the proposed offset increase.

FINDINGS AND CONCLUSIONS

The Commission finds, after investigation by the Water Advisory Branch, that the proposed offset rate increase in rates are justified, and the resulting rates are just and reasonable.

THEREFORE IT IS ORDERED that:

1. Garrapata Water Company is authorized, five days after the effective date herein, to make effective revised Schedule No. 2A, Annual Flat Rate Service, attached to Advice Letter 21, and to cancel the corresponding presently effective rate schedule.
2. Garrapata Water Company is directed to maintain a balancing account as required by Public Utilities Code Section 792.5.
3. This resolution is effective today.

I hereby certify that the foregoing resolution was duly introduced, passed, and adopted at a conference of the Public Utilities Commission of the State of California held on August 23, 2001; the following Commissioners approved it:

WESLEY M. FRANKLIN
Executive Director

LORETTA M. LYNCH
President
HENRY M. DUQUE
RICHARD A. BILAS
CARL W. WOOD
GEOFFREY F. BROWN
Commissioners